



# WORKFORCE OBSERVATIONS

State of Wisconsin  
Department of Workforce Development  
Office of Economic Advisors

## FOR WEST CENTRAL WISCONSIN COUNTIES

BARRON, CHIPPEWA, CLARK, DUNN, EAU CLAIRE, PEPIN, PIERCE, POLK, ST. CROIX

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### Seasonal Factors Contribute to Job Reductions in December

Unemployment rates in 49 of Wisconsin's 72 counties, including all nine of the counties in West Central Wisconsin, rose in December. The unemployment rate for the West Central region rose from 4.1 percent in November to 4.7 percent in December while the rate in the Eau Claire-Chippewa metropolitan area rose from 3.8 to 4.3 percent.

The unemployment rate (not seasonally adjusted) in Wisconsin

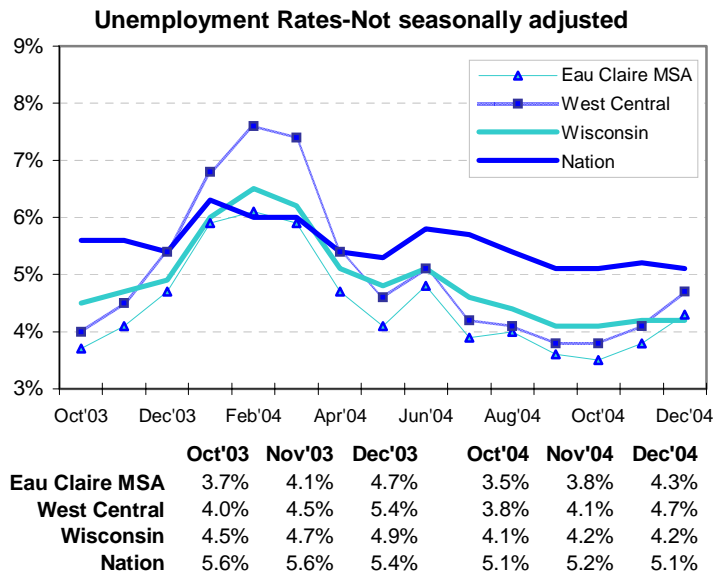
did not change from the November rate of 4.2 percent while the national unemployment rate declined from 5.2 percent in November to 5.1 percent in December. Both the Wisconsin and national unemployment rates are lower than one year ago as are the rates in eight of the region's nine counties. The one local county with a higher unemployment rate is Pepin where the current 7.1 percent rate is higher than the 6.5 percent unemployed

from December 2003. Because the labor force in Pepin County is relatively small, there were 3,150 participants in December, minor changes in the total number employed or unemployed become significantly greater changes in the unemployment rate. An increase in the number of unemployed residents from 210 to 225 over the last twelve months generated the increase in unemployment rate.

Unemployment rates in the region have increased in each of the last three months and will continue to increase through February or March. By then workers laid off from jobs that are suspended during the winter months will again return to work and the seasonal employment cycle will begin again.

Nearly half of the workers in West Central Wisconsin who lost their jobs in December remained in the labor force and continued to look for other work. The number of employed in the region declined by 2,810 from 231,010 to 228,200 as the number of unemployed increased by 1,400 to 11,240.

Most of those who did not re-



### Civilian Labor Force Estimates\* for West Central Wisconsin counties: December 2004

|              | Barron  |         |         | Chippewa |         |         | Clark   |         |         | Dunn      |         |         | Eau Claire Co.      |         |         |
|--------------|---------|---------|---------|----------|---------|---------|---------|---------|---------|-----------|---------|---------|---------------------|---------|---------|
|              | Dec '04 | Nov '04 | Dec '03 | Dec '04  | Nov '04 | Dec '03 | Dec '04 | Nov '04 | Dec '03 | Dec '04   | Nov '04 | Dec '03 | Dec '04             | Nov '04 | Dec '03 |
| Labor force  | 24,302  | 24,443  | 24,786  | 32,810   | 33,049  | 32,494  | 16,380  | 16,523  | 16,354  | 23,262    | 23,311  | 24,365  | 56,370              | 57,149  | 55,709  |
| Employed     | 22,979  | 23,321  | 23,137  | 30,947   | 31,470  | 30,462  | 15,373  | 15,628  | 15,274  | 22,336    | 22,562  | 23,363  | 54,420              | 55,340  | 53,566  |
| Unemployed   | 1,323   | 1,122   | 1,649   | 1,863    | 1,579   | 2,032   | 1,007   | 895     | 1,080   | 926       | 749     | 1,002   | 1,950               | 1,809   | 2,143   |
| % unemployed | 5.4     | 4.6     | 6.7     | 5.7      | 4.8     | 6.3     | 6.1     | 5.4     | 6.6     | 4.0       | 3.2     | 4.1     | 3.5                 | 3.2     | 3.8     |
|              | Pepin   |         |         | Pierce   |         |         | Polk    |         |         | St. Croix |         |         | West Central region |         |         |
|              | Dec '04 | Nov '04 | Dec '03 | Dec '04  | Nov '04 | Dec '03 | Dec '04 | Nov '04 | Dec '03 | Dec '04   | Nov '04 | Dec '03 | Dec '04             | Nov '04 | Dec '03 |
| Labor force  | 3,152   | 3,224   | 3,198   | 21,789   | 21,785  | 21,661  | 22,586  | 22,552  | 23,629  | 38,789    | 38,792  | 38,878  | 239,440             | 240,828 | 241,074 |
| Employed     | 2,927   | 3,050   | 2,989   | 20,853   | 20,942  | 20,598  | 21,367  | 21,540  | 22,061  | 37,000    | 37,159  | 36,550  | 228,202             | 231,012 | 228,000 |
| Unemployed   | 225     | 174     | 209     | 936      | 843     | 1,063   | 1,219   | 1,012   | 1,568   | 1,789     | 1,633   | 2,328   | 11,238              | 9,816   | 13,074  |
| % unemployed | 7.1     | 5.4     | 6.5     | 4.3      | 3.9     | 4.9     | 5.4     | 4.5     | 6.6     | 4.6       | 4.2     | 6.0     | 4.7                 | 4.1     | 5.4     |

\* not seasonally adjusted

## Industry Employment Estimates for West Central Wisconsin: December 2004

| (Employment in thousands)     | Barron  |         |         | Clark   |         |         | Dunn      |         |         | Pepin          |         |         |
|-------------------------------|---------|---------|---------|---------|---------|---------|-----------|---------|---------|----------------|---------|---------|
|                               | Dec '04 | Nov '04 | Dec '03 | Dec '04 | Nov '04 | Dec '03 | Dec '04   | Nov '04 | Dec '03 | Dec '04        | Nov '04 | Dec '03 |
| Total Nonfarm                 | 21.3    | 21.5    | 21.3    | 10.3    | 10.3    | 10.0    | 15.9      | 16.0    | 16.6    | 2.1            | 2.2     | 2.1     |
| Const/Min'g/Nat. Resources    | 0.6     | 0.8     | 0.7     | 0.6     | 0.7     | 0.6     | 0.7       | 0.8     | 0.7     | 0.1            | 0.2     | 0.2     |
| Manufacturing                 | 5.9     | 5.9     | 6.0     | 2.8     | 2.8     | 2.7     | 2.2       | 2.2     | 2.1     | 0.1            | 0.1     | 0.1     |
| Trade                         | 3.5     | 3.5     | 3.5     | 1.4     | 1.4     | 1.3     | 2.9       | 2.9     | 2.8     | 0.5            | 0.5     | 0.5     |
| Transportation & Utilities    | 0.5     | 0.5     | 0.5     | 0.5     | 0.5     | 0.4     | 1.7       | 1.7     | 1.8     | 0.1            | 0.1     | 0.1     |
| Financial Activities          | 0.6     | 0.6     | 0.6     | 0.3     | 0.3     | 0.3     | 0.5       | 0.5     | 0.5     | 0.1            | 0.1     | 0.1     |
| Education & Health Services   | 2.2     | 2.2     | 2.2     | 0.9     | 1.0     | 1.0     | 1.6       | 1.6     | 1.5     | 0.3            | 0.3     | 0.3     |
| Leisure & Hospitality         | 1.5     | 1.6     | 1.6     | 0.8     | 0.8     | 0.7     | 1.5       | 1.5     | 1.5     | 0.2            | 0.2     | 0.1     |
| Info/Prof. & Bus.Serv./Other  | 1.7     | 1.7     | 1.6     | 0.8     | 0.8     | 0.7     | 1.3       | 1.3     | 1.2     | 0.2            | 0.2     | 0.2     |
| Total Government              | 4.7     | 4.7     | 4.6     | 2.2     | 2.2     | 2.2     | 3.5       | 3.6     | 4.6     | 0.5            | 0.5     | 0.5     |
|                               | Pierce  |         |         | Polk    |         |         | St. Croix |         |         | Eau Claire MSA |         |         |
|                               | Dec '04 | Nov '04 | Dec '03 | Dec '04 | Nov '04 | Dec '03 | Dec '04   | Nov '04 | Dec '03 | Dec '04        | Nov '04 | Dec '03 |
| Total Nonfarm                 | 10.9    | 10.9    | 10.3    | 14.3    | 14.3    | 14.7    | 27.2      | 27.7    | 26.7    | 79.7           | 80.7    | 78.3    |
| Const/Min'g/Nat. Resources    | 0.6     | 0.6     | 0.4     | 0.6     | 0.7     | 0.7     | 1.8       | 1.9     | 1.7     | 3.5            | 3.7     | 3.2     |
| Manufacturing                 | 1.1     | 1.1     | 1.1     | 3.5     | 3.5     | 3.7     | 5.1       | 5.3     | 5.2     | 11.2           | 11.3    | 10.9    |
| Trade                         | 0.7     | 0.7     | 0.8     | 2.2     | 2.2     | 2.2     | 4.6       | 4.6     | 4.4     | 13.2           | 13.3    | 13.3    |
| Transportation & Utilities    | 0.3     | 0.4     | 0.4     | 0.3     | 0.3     | 0.3     | 1.2       | 1.2     | 1.1     | 2.9            | 2.9     | 2.9     |
| Financial Activities          | 0.4     | 0.4     | 0.4     | 0.5     | 0.5     | 0.5     | 1.2       | 1.2     | 1.1     | 3.7            | 3.7     | 3.7     |
| Education & Health Services   | 1.2     | 1.2     | 1.1     | 2.0     | 2.0     | 1.9     | 2.9       | 2.9     | 2.9     | 12.9           | 12.8    | 12.6    |
| Leisure & Hospitality         | 1.2     | 1.2     | 1.2     | 1.0     | 1.0     | 1.2     | 3.1       | 3.1     | 3.0     | 7.3            | 7.4     | 7.2     |
| Information/Prof. & Bus.Serv. | 1.1     | 1.1     | 1.1     | 1.5     | 1.5     | 1.5     | 3.8       | 3.9     | 3.6     | 8.4            | 8.5     | 7.9     |
| Other Services                | NA      | NA      | NA      | NA      | NA      | NA      | NA        | NA      | NA      | 4.0            | 3.9     | 3.9     |
| Total Government              | 4.3     | 4.2     | 3.7     | 2.6     | 2.6     | 2.7     | 3.6       | 3.6     | 3.7     | 12.6           | 13.2    | 12.7    |

Current month preliminary. Estimates based on March 2003 benchmark. Summing from unrounded numbers.

main in the labor force live in the Eau Claire-Chippewa metro area where the labor force from 90,200 in November to 89,180 in December. The decline occurred when residents who lost their jobs in December also left the labor force. This often occurs when workers take temporary jobs and once the job ends they do not stay in the labor force. Most noticeable was the spike in local government employment in November, a gain of 600 jobs, which evaporated in December with the loss of 600 jobs. This most likely reflects the addition of temporary workers hired during the fall election.

Other job losses in the metro area reflect more seasonal changes in employment patterns. There were 200 fewer jobs when construction employment declined from 3,700 in November to 3,500 in December. Even with the most recent reduction, however, there

were 300 more jobs this December than twelve months earlier. Leisure and hospitality employers also laid off workers in December, as did employers in wholesale and retail trade. In December there were 7,300 jobs with leisure and hospitality employers, down 100 from November but up by 100 from one year earlier; and there were 13,200 jobs with trade employers, down 100 from November and one year ago.

There were also 100 fewer manufacturing jobs in the metro area in December but the current estimate of 11,200 jobs is 300 higher than one year ago. In December there were 11,200 manufacturing jobs. Manufacturing employment in 2004 peaked in August with 11,500 jobs but has been declining since then.

In the non-metropolitan counties of West Central Wisconsin employers in nearly every major industry group

reduced jobs. The wide-spread job reductions reduced the number of total nonfarm jobs from 102,900 in November to 101,900 in December. The greatest reductions in the rural counties also occurred in construction with the loss of nearly 500 jobs during the month.

There were 181,600 jobs with employers in the West Central region in December down 1,950 from November. Employers in the region ended the year with 1,560 more jobs than twelve months earlier. The majority of those jobs, over 900, were with employers in information, professional and business services, and other services. This group of employers includes temporary help agencies. Employers from other industries, especially manufacturing employers, utilize workers from temporary agencies before they permanently hire workers.



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